

A bill for an act

relating to taxation; sales and use; modifying a sales tax construction exemption;
amending Minnesota Statutes 2009 Supplement, sections 297A.71, subdivision
41; 297A.75, subdivisions 1, 2.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2009 Supplement, section 297A.71, subdivision 41,
is amended to read:

Subd. 41. **Construction materials; ~~meat processing facility~~ economic
development.** Materials and supplies used or consumed in, and equipment incorporated
into, the construction ~~or improvement of a meat processing facility~~ of an industrial park
and related public infrastructure are exempt. This facility must be constructed ~~to replace in
a city where~~ a meat processing facility was destroyed in a fire in April 2009, that employed
more than 200 employees at the time of the destruction. The tax must be imposed and
collected as if the rate under section 297A.62, subdivision 1, applied and then refunded
after June 30, 2011, in the manner provided in section 297A.75. The total amount of
refund allowed under this section is limited to \$1,700,000.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2009 Supplement, section 297A.75, subdivision 1, is
amended to read:

Subdivision 1. **Tax collected.** The tax on the gross receipts from the sale of the
following exempt items must be imposed and collected as if the sale were taxable and the
rate under section 297A.62, subdivision 1, applied. The exempt items include:

(1) capital equipment exempt under section 297A.68, subdivision 5;

(2) building materials for an agricultural processing facility exempt under section 297A.71, subdivision 13;

(3) building materials for mineral production facilities exempt under section 297A.71, subdivision 14;

(4) building materials for correctional facilities under section 297A.71, subdivision 3;

(5) building materials used in a residence for disabled veterans exempt under section 297A.71, subdivision 11;

(6) elevators and building materials exempt under section 297A.71, subdivision 12;

(7) building materials for the Long Lake Conservation Center exempt under section 297A.71, subdivision 17;

(8) materials and supplies for qualified low-income housing under section 297A.71, subdivision 23;

(9) materials, supplies, and equipment for municipal electric utility facilities under section 297A.71, subdivision 35;

(10) equipment and materials used for the generation, transmission, and distribution of electrical energy and an aerial camera package exempt under section 297A.68, subdivision 37;

(11) tangible personal property and taxable services and construction materials, supplies, and equipment exempt under section 297A.68, subdivision 41;

(12) commuter rail vehicle and repair parts under section 297A.70, subdivision 3, clause (11);

(13) materials, supplies, and equipment for construction or improvement of projects and facilities under section 297A.71, subdivision 40; and

(14) materials, supplies, and equipment for construction or improvement of ~~a meat processing facility~~ an industrial park and related public infrastructure exempt under section 297A.71, subdivision 41.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2009 Supplement, section 297A.75, subdivision 2, is amended to read:

Subd. 2. **Refund; eligible persons.** Upon application on forms prescribed by the commissioner, a refund equal to the tax paid on the gross receipts of the exempt items must be paid to the applicant. Only the following persons may apply for the refund:

(1) for subdivision 1, clauses (1) to (3), the applicant must be the purchaser;

(2) for subdivision 1, clauses (4) and (7), the applicant must be the governmental subdivision;

(3) for subdivision 1, clause (5), the applicant must be the recipient of the benefits provided in United States Code, title 38, chapter 21;

(4) for subdivision 1, clause (6), the applicant must be the owner of the homestead property;

(5) for subdivision 1, clause (8), the owner of the qualified low-income housing project;

(6) for subdivision 1, clause (9), the applicant must be a municipal electric utility or a joint venture of municipal electric utilities;

(7) for subdivision 1, clauses (10), and (11), ~~and (14)~~, the owner of the qualifying business; and

(8) for subdivision 1, clauses (12) ~~and~~₂ (13), and (14), the applicant must be the governmental entity that owns or contracts for the project or facility.

EFFECTIVE DATE. This section is effective the day following final enactment.